

Telephone Town Hall May 2011 : Reflecting America's Priorities in the Budget

In May 2011, I had the opportunity to speak with thousands of constituents on an issue that will affect our country for years to come: the budget. It resulted in one of my most participatory town halls ever. It was great to hear from folks of such diverse backgrounds express thier views. Our nation faces many obstacles, but with all of us working together—I am sure that we will continue to meet the challenges ahead of us.

Learn more about our discussion:

- Download the [full call](#).
- Read several [follow-up questions](#) that we didn't have time to discuss during the call.

Listen to the full call

Followup Questions Submitted After The Call

1. □ Please encourage Congress to introduce stronger, more up-to-date government regulations and financial oversight of our monetary institutions to protect Middle America.

-Robert, San Jose, CA

During the last Congress, the Democratic majority and President Obama fought for new financial oversight and regulatory reforms aimed at preventing another potential financial collapse. These reforms were enacted in the Wall Street Reform and Consumer Protection Act, which passed with my vote of support and was signed into law on July 21, 2010.

This bill created the Consumer Financial Protection Bureau (CFPB), a new watchdog devoted to protecting Americans from unfair and abusive financial practices. This independent bureau will provide clear and accurate information to families and small businesses to ensure that bank loans, mortgages, and credit cards are fair and affordable. The CFPB will also set safety standards to prevent practices such as hidden credit card fees, deceptive “fine print,” and other financial abuses that have escaped oversight so far.

Unfortunately, many Republicans in Congress oppose the CFPB and have worked to weaken or repeal its authority and block President Obama’s nominee to head the CFPB, Elizabeth Warren, compromising our future, our savings, and the American Dream.

I remain committed to supporting the Wall Street Reform and Consumer Protection Act and the CFPB. I have urged President Obama to appoint Professor Warren during a Congressional recess to overcome a Senate filibuster, and I will continue to fight for transparency and effective regulations to protect American families.

2. What do we do about the outsourcing of tech jobs to China and India? □ How do we negotiate with these companies to get the jobs back? □
-Manju, Campbell, CA

The pace of job losses has eased substantially since the American Recovery and Reinvestment Act (ARRA), became law two years ago. However, we continue to face the reality that American jobs are being lost to workers overseas.

As a representative from Silicon Valley, ensuring that the policies we put in place translate into growth in American-based industries remains a high priority for me. I am working to accelerate the pace of our recovery and to create and maintain jobs around the country through research and development, green energy development, more on-the-job training opportunities, and extending small business lending programs. I have also voted in favor of extending the Temporary Assistance for Needy Families Emergency Fund that States use to help employers hire unemployed people.

In the “People’s Budget”, the Budget proposal I was the lead author of for the Congressional Progressive Caucus, we have proposed changes to corporate tax law that would reduce the incentive for corporations to ship jobs to overseas subsidiaries.

It is important that we continue to invest in industries where American jobs are not being outsourced and to continue to fight for manufacturing jobs here at home. You can be sure that job creation and small business assistance will continue to be top priorities for me and my Democratic colleagues. As we bring our economy back from the brink of a depression, we must ensure that working Americans, and not only corporations, benefit from an economic rebound.

3. Is there a way that jobs could be reserved for veterans that are coming home?
-Jewel, Santa Clara, CA

Our nation must not, and cannot, shortchange the brave men and women who have served in our armed forces. The great work that our service men and women do in the field should not go unrecognized when they return home.

That is why I support President Obama’s request to Congress in the FY-2012 budget for an increase in funding for the Department of Veterans Affairs (VA). This funding would provide increased services for homeless veterans, mental health care and traumatic brain injuries, and

the timely implementation of the Post-9/11 G.I. bill to expand educational entitlements.

Through the American Recovery and Reinvestment Act, which I proudly supported, we have made important investments in our veterans. The bill provides incentives for businesses to hire recently discharged unemployed veterans.

Making sure that our veterans have access to the best of our education system is an important step in enabling our returned veterans to continue their valuable contributions. We must also do a better job of ensuring that federal contracting programs that set aside a percentage of their contracts for veteran owned businesses are achieving their intended goal. I remain committed to working in a bipartisan way to ensure that our budget and policies honor the service of our veterans, and build a future worthy of their sacrifice.

4. Our country has become increasingly polarized in recent years and members of Congress are not immune from this phenomenon. What can be done to change the way we talk to each other?

- Ede, San Jose, CA

If my life experiences have taught me anything, it is that we can accomplish more by working together than we can by going it alone. To do that, we need to acknowledge our differences and agree to treat others with respect, no matter their views.

The challenges that we face as a country are not Republican or Democratic challenges. They are challenges that affect us all and they should be addressed as such. Congress should take the lead in undoing policy gridlock and focusing on what is best for the American people.

As the late Speaker of the House Tip O'Neill from Massachusetts was fond of saying, "all politics is local." To paraphrase that aphorism, all dialogue is local. If we want to change the way we talk to each other, we must start at home. I encourage you to begin that dialogue at home and in your neighborhood with friends and family.

I recall fondly my days in the State Assembly when the legislative schedule afforded legislators from both parties the opportunity to spend some time together outside of the hearing rooms and off of the chamber floor. This gave us the opportunity to get to know each other as people, which led to a much more civil dialogue than what we have today, when legislators and people around the country are more insulated, talking only to those with whom they agree and attacking those with different views. Real interpersonal communication can help us understand each other better.

You can also engage in dialogue with me by contacting me via my website, or by signing up to participate in a Telephone Town Hall, also via my website. I look forward to sharing a constructive dialogue with you.

5. □ Experts in the field of economics seem well-suited to provide advice on the best way to stimulate our economy. Why don't politicians ever seem to listen to them?□
- From several voice mails

Most politicians read and take counsel from experts and policy advisors. However, not every politician follows the advice they are given. When it comes to the economy, sometimes history is the best teacher.

From history, for instance, we know that during an economic recovery, cutting government spending to balance the budget can lead to a double-dip recession. That was a lesson our country learned in 1937 from the Roosevelt administration. Ironically, Republicans today claim that the only way to balance our budget and eliminate the deficit is to drastically reduce government spending, give tax breaks to the wealthy, and cut back on Social Security and Medicare, making the poor even poorer and further reducing their ability to spend. This proposal, put forth by House Budget Committee Chairman Paul Ryan, and passed by the Republican Conference is a non-starter.

I believe that a better solution lies in the "People's Budget," the Budget proposal I was the lead author of for the Congressional Progressive Caucus. In drafting this budget, we consulted with leading economists including Jeffery Sachs, a professor at Columbia University and advisor to the UN Secretary General who CNN's Fareed Zakaria this year called "one of the world's leading economists, the go-to man for guiding countries out of economic crises." The "People's Budget" charts a path that keeps America exceptional in the 21st century, while addressing the most pressing problems facing the nation today. Our budget eliminates the deficit, stabilizes the debt, puts Americans back to work and restores our economic competitiveness.

Rather than cut programs that provide economic stability for the poor and middle class, the People's Budget would protect funding for those programs, and instead cut defense spending, which has cost us \$1.3 trillion dollars over the past ten years. The People's Budget would use those savings to support transportation and infrastructure renovation and construction projects,

which would help to put Americans back to work. The People's Budget has received acclaim from world-renowned economists, who agree that the People's Budget is the only proposal that invests in the future, eliminates the deficit, puts people back to work, and protects the poor and the elderly, and helps to grow the middle class.

6. I believe multinational corporations should be made to pay taxes on offshore assets. What are we doing to make sure that happens?
- Kakoli, San Jose CA

I agree that we need a more equitable tax code that requires multinational corporations to pay their fair share in taxes. Unfortunately, Republicans don't agree, and would rather give tax breaks and taxpayer money to corporations. That was the plan proposed by House Budget Committee Chairman Paul Ryan, whose budget proposal included tax breaks for corporations and a healthcare voucher system that would put your taxpayer money in the hands of insurance companies. Not surprisingly, nearly every Republican Representative voted in favor of his budget.

The Republican party has a history of giving tax breaks to corporations, leaving the rest of America to carry the burden of a growing deficit. This is no way to manage taxpayer money. Instead, I believe a better solution lies in the budget proposal laid out by the Congressional Progressive Caucus, of which I am member. In the "People's Budget" that we proposed, rather than giving taxpayer money to corporations, we propose to institute a more fair tax system that would tax corporate income as it is earned, effectively eliminating any difference between foreign and domestic earnings. As a result, corporations would lose one of their primary incentives to move jobs overseas, which will help to bring many of those jobs back to the United States, which should be the goal of every politician.

1) Julie from Los Gatos

Is there a possibility to pass the public option or have single-payer health care still?

Julie, thank you for your question! Throughout the passage of the reform bill, I worked tirelessly to pass a public option as I believe it is the only way to provide the American people with the information they deserve in order to choose an insurance option that works best for them. At its core, health reform is all about ensuring that American families and businesses have more choices, benefit from more competition, and have greater control over their own health care.

In February 2010, the House of Representatives passed HR 4626, the Insurance Industry Fair Competition Act of 2010, which restores competition, fairness and choice to the health insurance industry. I will continue advocating on behalf of legislation that supports options for the public.

I was extremely disappointed, therefore, when the health care reform bill passed without a public option. However, it does have ways to maintain the fairness and competitiveness a public option would have.

By 2014, under the new health care reform bill, states will be allowed to set up exchanges, which serve as a marketplace of information available to the public. You can access these exchanges if you are unemployed, work for a small business, or work for a business that does not provide health insurance. In the exchanges, individuals will be able to access information and compare plans, and then buy into whichever plan best suits their needs. Additionally, a

provision in the new bill allows that these exchanges can be used by states to establish government run health plans in addition to privately run ones, essentially setting up a public option.

The exchanges will offer a standardized set of information, as the participating plans must present their plans in a comprehensive, easy to understand manner and must use one standard enrollment form.

As for a single-payer system, in February, I cosponsored HR 676, which would eliminate all employer contributions to private insurance premiums, all individual premiums, co-pays, deductibles, and other out of pocket costs, replacing them with a minimal payroll tax. With a single-payer system, an estimated 95 percent of people would pay less than they do now for healthcare.

If an individual cannot afford health insurance under the new bill, they can apply for government subsidies which will help cover insurance premiums. For plans that cross state lines, states must work out an agreement permitting the plans into the exchanges.

HR 3200, the America's Affordable Health Choices Act is a monumental step toward fixing the broken health care system of our nation. Over the past nine years, I have heard repeated pleas from the Constituents of the 15th District to fix this broken system, protect their families' financial health, and ensure access to high quality healthcare. I will continue to work on healthcare

legislation that addresses these needs and the inequalities in our system.

2) Mary from San Jose

Has Rep. Honda thought the marijuana taxation through and what will he vote

This November, the California electorate will vote on proposition 19 (The Regulate, Control, and Tax Cannabis Act of 2010), which allows people 21 years old or older to possess, cultivate, or transport marijuana for personal use. This proposition also permits local governments to regulate and tax commercial production and sale of marijuana to people 21 years old or older. It prohibits people from possessing marijuana on school grounds, using it in public, smoking while minors are present, or providing it to anyone under 21 years old with strict penalties, including jail sentences and monetary fines for any persons that violate the law. The proposition also maintains current prohibitions against driving while impaired, assuring full enforcement of the law by police authorities.

A study conducted by the RAND corporation shows that should proposition 19 pass, the pre-tax retail price of marijuana will substantially decline, likely by more than 80 percent. The price consumers will pay will depend heavily on taxes and how they are regulated and enforced. While there exists understandable concerns that consumption of marijuana will perhaps increase, it is unclear at this time to what degree California will experience this. With respect to projected tax revenues, projected estimates are in the vicinity of \$1.4 billion annually; funding

derived from taxation of marijuana could be used towards other public services, such as in the fields of education and health programs. I understand that there are a variety of opinions on this matter, and I welcome constituents to share their range of views on this proposition.

I have supported other initiatives regarding marijuana use, specifically for medicinal purposes, such as H.R. 2835 (Medical Marijuana Patient Protection Act), which states that physicians should be allowed to prescribe marijuana for medical use in a state that allows the usage of medical marijuana. I support the rights of states to formulate their own laws on marijuana usage and enforcement, and while I am still evaluating the content of this proposition as written, it is in the hands of the California electorate to decide the direction our state will take with regards to this issue in November.

3) Daniel from Milpitas

What is your position on immigration?

From our founding and at our very core, America has always been a nation of immigrants, documented and undocumented, who have made great contributions to our nation. From their labor building the transcontinental railroad and developing our nation's infrastructure, to their entrepreneurship spurring industry in our early American cities, we should all know by now that 'immigrant' is not a dirty word. Looking toward our future with our aging workforce and social security crisis, we need the contributions of immigrants, now more than ever.

Our current immigration system is broken. Because of backlogs and bureaucratic delays, some must wait years, sometimes decades, to reunite with their family members who are eligible to legally immigrate to the United States. Immigrants are often deprived of due process rights that are fundamental to America's notion of liberty.

A punitive, enforcement-only approach to immigration reform is not the solution. Instead, I believe in humane reform that respects the dignity of immigrant communities and recognizes their contributions to American society, while simultaneously securing our borders. We can make America stronger, not only by protecting our borders, but also by upholding our values and principles and honoring the entrepreneurial spirit of the American dream – with freedom and opportunity on our shores. I will continue to work with my colleagues to ensure a just, humane and workable immigration system that keeps America safe and thriving, without fear of being separated from their families.

I have long advocated for comprehensive immigration reform that will address border security, enforcement, future flows of immigrants, cater to the demands of our labor markets and economy, and provides a pathway to legalization as well as visa reforms to keep our families together. I believe it is critical that we protect our borders and stop employers from taking advantage of undocumented workers. I further believe, however, that this can be done in a smart, efficient, and humane way that does not involve racial profiling or hand over critical responsibilities of the federal government to local law enforcement.

Enhancing enforcement surely must be a part of the solution to our broken immigration system. However, the solution must be more complex and holistic. The President has clearly called on Congress to act on comprehensive immigration reform. We must work together and with our neighbors to develop a comprehensive solution.

4) Daniel from San Jose

What are you doing to bring transparency to Fannie Mae and Freddie Mac?

Although the two housing Government Sponsored Enterprises, or GSEs, Fannie Mae and Freddie Mac did not cause the housing crisis, their risky investments in subprime securities resulted in huge losses and a massive size of debt. I understand your concerns regarding these two companies. However, it is important to remember that the mission of Fannie Mae and Freddie Mac to provide affordable mortgage loans for low- and moderate-income homebuyers still remains an important to American's middle class families

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With

the support they receive from the government, these GSEs are able to offer home buyers fixed interest rate mortgages with low down payments and help millions of Americans achieve the dream of buying a home.

I was proud to support the Housing and Economic Recovery Act, which became law in July 2008 and established the Federal Housing Finance Agency with regulatory authority over Fannie Mae and Freddie Mac. Since then, Fannie Mae and Freddie Mac have taken their own steps to make more cautious investments and minimize losses. They have been working towards streamlining home appraisal and loan delivery data to enhance loan quality and

standards. I will continue to push Fannie Mae and Freddie Mac to remain accountable to their shareholders, the government and the people.

5) Elias from Campbell

What are we doing with the foreclosure process? Is there a group that can help people who have problems with their mortgage? Will the government work with people and if so, where do people go to do this?

If you have not already done so, get in contact with a HUD-approved housing counselor. They are free of charge, and you can find a local counselor at <http://makinghomeaffordable.com> or by calling 1-888-995-HOPE. A HUD-approved housing counselor will talk to you about your individual situation and help you decide what mortgage options and programs are best for you. Beware of anyone who asks you to pay a fee in exchange for a counseling service. Again, all HUD-approved housing counselors are FREE.

Two programs that the counselor may point you to are HARP and HAMP.

HARP, or the **Home Affordable Refinance Program**, allows homeowners with mortgages owned by Fannie Mae or Freddie Mac to refinance with more favorable terms. This program targets those who are **current on their payments** but have lost equity in their homes due to falling home prices.

HAMP, or the **Home Affordable Modification Program**, targets borrowers who are paying more than 31% of their income toward their mortgage and are **experiencing a financial hardship**, like the loss of a job, a medical emergency, or death in the family. HAMP uses financial incentives to encourage banks to provide mortgage modifications for troubled borrowers in order to reduce their monthly mortgage payments.

Although we've seen more promising numbers recently, foreclosure

filings have dropped more than 40 percent in Santa Clara County since last year, we know that families are still struggling to stay in their homes and weather this recession. While we can't prevent every foreclosure, we must get banks to provide families time to get back on their feet after the worst housing downturn since the Great Depression.

6) Elias from Cupertino and Anita from Santa Clara:

Why have we not suspended the Jones act that prohibits assistance from international supertankers to clean up the oil spill?

Enacted after World War I to ensure that America did not lose its civilian fleet, the Jones Act (formally Section 27 of the Merchant Marine Act of 1920) reserves the carriage of America's waterborne domestic commerce to privately owned United States-flag commercial vessels built and repaired in U.S. shipyards and owned and crewed by U.S. citizens. The Jones Act and related statutes prevent America's domestic economy from being dominated and controlled by foreign shipping interests, which operate in international commerce outside the scope of U.S. laws and regulations, including tax obligations.

In the past, Americans of all political stripes have supported the Jones Act with open arms. In fact, in 1997, a resolution recognizing the critical importance of the Jones Act (H. Con Res. 65) garnered 244 bipartisan co-sponsors.

Recently, many have criticized the law by making baseless accusations that the Jones Act has somehow interfered with the cleanup of the BP oil spill in the Gulf of Mexico.

Nothing could be further from the truth. The fact is there is no evidence the Jones Act has interfered with the cleanup in any way. Administration officials have clearly stated they would be willing to waive the Jones act if needed and that the law has not prevented the response team from accepting aid offers from foreign nations.

(Please see the

[*Los Angeles Times*](#)

article for more information.)

Maintaining a privately owned merchant fleet and maritime industry is vital to our economic and military security. The domestic maritime industry provides a significant source of employment and helps maintain a cadre of well trained, loyal American citizen merchant mariners ready and able to respond, as always, to our Nation's call in time of war or other emergency. Finally, the Jones Act ensures that ships that operate in domestic waters comply with U.S. laws and regulations, including tax obligations, workforce protections, and environmental conservation regulations.